

**AMENDMENTS TO THE DRAWINGS**

Please substitute the original filed drawings with the attached Replacement Sheets.

**REMARKS**

**Drawing Objections**

Figure 2 has been objected to for minor errors. The Examiner's objections have been addressed in good faith. No new matter has been introduced. Specifically, missing block (280) has been included and the box "Vending Machine in Booth Center Environment Box" has been removed. Corrected drawing sheets are submitted in compliance with 37 C.F.R. 1.121(d). Accordingly, applicant respectfully requests that the objection to Figure 2 be withdrawn.

**Claim Objections**

Claims 30 and 48 have been objected to for erroneously depending from canceled claims. The Examiner's objections have been addressed in good faith. No new matter has been introduced. Specifically, claim 30 has been amended to correctly depend from claim 27, and claim 48 has been amended to correctly depend from claim 45. Furthermore, claim 4 has been amended to correctly depend from claim 1. Claim 10 has been amended to correctly depend from claim 8. Claim 15 has been amended to correctly depend from claim 12. Claim 22 has been amended to correctly depend from claim 19. Claim 36 has been amended to correctly depend from claim 34. Accordingly, applicant respectfully requests that this objection be withdrawn.

Status of the Claims

Claims 1, 3-8, 10-13, 15-20, 22-27, 29-34, 36-39, 41-46, 48-51 are currently pending.

Claims 1, 3-8, 10-13, 15-20, 22-27, 29-34, 36-39, 41-46, 48-51 stand rejected.

Claims 4, 10, 15, 22, 30, 36, and 48 are amended herein to correct minor typographical errors as explained above in the section "Claim Objections."

In light of the above-amendments and remarks to follow, reconsideration and allowance of this application are requested.

Claim Rejections

Claims 1, 3-8, 10-13, 15-20, 22-27, 29-34, 36-39, 41-46, 48-51 have been rejected under 35 U.S.C. § 103(a) as allegedly being unpatentable over U.S. Patent No. 5,163,010 to Klein et al. (hereafter "Klein") in further view of U.S. Patent No. 4,767,917 (hereafter "Ushikubo"). Applicant respectfully traverses these rejections.

To establish a *prima facie* case of obviousness, three basic criteria must be met. First there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the references or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations. The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art and not be based on the applicant's disclosure. In re Vaeck, 947 F.2d 488, 20

USPQ2d 1438 (Fed. Cir. 1991); MPEP 2143. Here, the Examiner has failed to establish a *prima facie* case of obviousness because neither Klein nor Ushikubo teaches or suggests all the claim limitations of independent claims 1, 8, 12, 19, 27, 34, 38, and 45.

The present invention comprises a hair care or cosmetic dispensing system that essentially allows a beautician to conveniently purchase a pre-formulated beauty product only when it is actually needed (i.e., on-demand purchasing). The present invention further contemplates authenticating the beautician who operates the system, automatically updating the inventory data of the system, and automatically scheduling a delivery of any necessary product. In addition, the present invention comprises creating a full line of a particular beauty product, such as a line of hair dyes, based solely on a set of basic stock colors from which the entire line can be generated. All of these features solve several serious problems for solo beauticians or small beauty salons (hereinafter “small beauty entities”).

Specifically, these small beauty entities cannot afford to purchase an entire line of a particular beauty product, such as all available hair dye colors, despite the very real possibility that a client may request the very colors that were not purchased (and not finding the right shade, walk-away). Moreover, these small beauty entities have very limited space to store inventory and cannot afford to waste space storing boxes of products that may never get used. Even worse, when stored inventory expires before it is used, the small beauty entities suffer a financial loss. By providing a system that can create a single application of virtually any one product in a particular line of product

based on a common set of core components (such as colors), the present invention avoids wasting space for storing inventory, eliminates the risk of having unused products expire, and eliminates the risk of not being able to provide clients with their desired hair color. By providing a system that automatically updates the inventory data of the dispensing apparatus and that automatically schedules a delivery of any required additional hair care or cosmetics, the present invention provides the small beauty entity with the freedom of purchasing a product only when it is actually needed (i.e. on-demand purchasing) and also avoids wasted space and expired inventory.

Klein, on the other hand, is directed to solving a different problem, namely providing the proper hair care product for a specific customer based on the unique characteristics of that customer's hair. *See, e.g., Klein, col. 2, lns. 5-8* (describing invention directed to "formulating and dispensing a *custom* mixed cosmetic product . . . in response to input criteria *based on the customer's specific needs*") (emphasis added); Klein, col. 1, lns. 1, lns. 13-24 (describing a problem in providing pre-packaged beauty products as "not account[ing] for the fact that each person's hair requires a compound which accommodates differences in physical properties of the hair"). Klein is not remotely concerned with the spatial and pecuniary problems faced by small beauty entities, such as the maximization of space by reducing inventory and the freedom of on-demand purchasing of products (i.e. purchasing products only when they are actually needed).

Moreover, Klein is directed to creating *custom-made formulations* based on the unique qualities of an individual's hair and does not disclose preparing pre-formulated/conceived beauty products using a core set of "stock colors." This conspicuous difference relates directly to the different problems solved by Klein and the present invention. Klein is focused on providing the right hair care formulation for a specific individual's hair. (In fact, there would be no need for the Klein machine if already existing formulations were adequate for everyone's hair). The present invention, however, is directed to providing a desired amount of a pre-formulated product, so that small beauty entities do not have to purchase any more of a product than they actually use, thereby reducing expenses and saving space.

Ushikubo is not remotely concerned with hair care or cosmetic formulations. Ushikubo actually teaches away from the present invention by emphasizing the need to avoid remote interaction with off-site components. *See, e.g.,* Ushikubo, col. 1, lns. 1, lns. 13-24 (describing a problem with prior art on-line authorization terminals as "incur[ring] expenses in the form of rents for the authorization terminal equipment, fees for the on-credit checking system and charges for the telephone lines employed"). In order to help the small beauty entity manage its supply of cosmetics and avoid wasted space and beauty products, the present invention comprises *transmitting* transaction data to a central computer *over a communication network*; updating inventory data based on the transaction data; and scheduling delivery based on the updated data, thereby enabling the small beauty entity to focus on customer service without having to worry about costly

inventory management. The ability to seamlessly interact with the manufacturer or distributor of the beauty products over a communications network greatly assists the small beauty entity in managing its business (i.e., always having sufficient supply to meet the customers' demands). Ushikubo is simply not concerned with assisting small beauty entities in this respect. In fact, Ushikubo does not deal with the goods provided by its machine at all let alone updating inventory and scheduling delivery based on the inventory requirements.

Klein or Ushikubo Does Not Teach or Suggest:  
"updating inventory data for said vending device"

Independent claims 1, 8, 12, 27, 34, and 38, comprise "updating inventory data for said vending device based on said transaction data." Klein does not disclose this limitation. The portions of Klein cited by the Examiner (Klein col. 9, ln. 62-67 and col. 10, lns. 1-36) are directed solely to the methodology followed by the computer to create a custom-made chemical formulation. This methodology (and these passages) do not consider the amounts of inventory actually in the Klein machine; the cited Klein passages merely describe the computer generating the ideal formulation for the customer's hair (which occurs regardless of actual available inventory). Klein col. 11, lns. 37 – 51 also cited by the Examiner is directed to tests performed on the machine only at the request of the user. *See* Klein, col. 11, lns. 22-25 ("A question asking the user whether the tests are to be performed will be displayed on a screen"). The test, if even performed, merely "questions" whether each tank should be refilled and if not "will indicate that the solution remaining will permit a certain number of perms to be formulated." *See*, Klein, col. 11,

lns. 36-42. There is no disclosure in Klein of updating inventory data so that the manufacturer/wholesaler (i.e. third party) can remotely manage the inventories for the small beauty entities, thereby ensuring that the small beauty entities do not run out of or ever have to worry about running out of any products. In fact, in Klein, if the users repeatedly decide not to run the test, the users are faced with the very real possibility of running out of solution without realizing it. The Examiner even admits that, “Klein does not disclose inventory data . . .” June 11, 2008 Final Office Action at 4. Again, as explained *supra*, Klein is directed to providing the right custom-made hair care formulation for a customer based on the customer’s unique hair characteristics; Klein is simply not concerned with inventory, let alone remotely managing the inventory by a third-party.

Ushikubo also does not teach or suggest updating inventory or remotely managing the inventory by a third party. In fact, the Examiner did not point to Ushikubo as teaching or suggesting this limitation. As explained *supra*, Ushikubo solely is directed to an automatic vending machine where pre-registered key cards are used for effecting purchases and where all components of the system are located in the same store. *See, e.g.,* Ushikubo, col. 2, lns. 45-46; col. 6, ln. 52 - col. 7, ln. 11.

“To imbue one of ordinary skill in the art with knowledge of the present invention, when no prior art reference or references of record convey or suggest that knowledge, is to fall victim of the insidious effect of hindsight syndrome, wherein that which only the inventor taught is used against the teacher.” W.L. Gore & Assoc. v. Garlock, Inc., 721



F.2d 1540, 1553 (Fed. Cir. 1983). The prior art must to be judged based on a full and fair consideration of what that art teaches, not by using applicants' invention as a blueprint for gathering and modifying various bits and pieces of the prior art to improperly reconstruct applicants' invention. Neither Klein nor Ushikubo teaches or suggests "*updating inventory data for said vending device.*" The principles of the references cannot be changed in order to pick and choose unrelated pieces to render the claims unpatentable. Such practices would improperly render any invention moot by falling victim to the prohibited lure of hindsight reconstruction.

Moreover, the present invention solves a problem that was not at issue in either Klein or Ushikubo, namely assisting small beauty entities in managing their hair care or cosmetic inventory to both avoid wasted storage space and financial loss. In so doing, the present invention provides a novel system that allows the small beauty entity to purchase a single application of a pre-formulated product and provides a system that automatically updates inventory data and automatically schedules a delivery of any required inventory. It is undeniable that neither Klein nor Ushikubo individually or in combination are remotely concerned with the spatial and pecuniary problems suffered by small beauty entities. Since applicant has recognized a problem not addressed by the cited prior art and solved that problem in a manner not suggested by the cited prior art, the basis for patentability of the claims is established. See *In re Wright*, 6 U.S.P.Q. 2d, 1959, 1961-1962 (Fed. Cir. 1988). There, the CAFC relied upon previous decisions requiring a consideration of the problem facing the inventor in reversing the Examiner's

rejection. “The problem solved by the invention is always relevant”. *Id.* at 1962. See also, *In re Rinehart*, 189 U.S.P.Q. 143, 149 (CCPA 1967), which stated that the particular problem facing the inventor must be considered in determining obviousness.

For the foregoing reasons, applicant respectfully submits that the Examiner’s rejection be reconsidered and withdrawn.

Klein or Ushikubo Does Not Teach or Suggest:  
“scheduling delivery based on said updated inventory data”

Independent claims 1, 8, 12, 27, 34, 38, comprise “scheduling delivery based on said updated inventory data.” Nowhere in the Final Office Action does the Examiner ever address this claim limitation. Applicant fails to see how a claim can be rendered obvious when one of the claim limitations is overlooked. Regardless, nowhere do either Klein or Ushikubo teach or suggest this claim limitation. As explained *supra*, the present invention is directed to assisting small beauty entities in managing their hair care or cosmetic requirements. Scheduling delivery based on the updated inventory data greatly assists the small beauty entities by alleviating them of any responsibility for inventory management, i.e., ordering the necessary types of products, the necessary amounts of products, and ordering the products at the right time. Klein is directed to solving a different problem, that is, providing the right custom-made hair care formulation for a customer based on the customer’s unique hair characteristics. Ushikubo is directed to yet another problem of providing an automatic vending machine where pre-registered key

cards are used for effecting purchases and does not concern itself with ordering inventory at all.

Since applicant has recognized a problem not addressed by the cited prior art and solved that problem in a manner not suggested by the cited prior art, the basis for patentability of the claims is established. See *In re Wright*, 6 U.S.P.Q. 2d at 1961-1962 (reversing Examiner's rejection and requiring consideration of the problem facing the inventor). "The problem solved by the invention is always relevant". *Id.* at 1962; see also *In re Rinehart*, 189 U.S.P.Q. at 149, which stated that the particular problem facing the inventor must be considered in determining obviousness.

For the foregoing reasons, applicant respectfully submits that the Examiner's rejection be reconsidered and withdrawn.

Klein or Ushikubo Does Not Teach or Suggest:  
"selecting a shade from said plurality of shades  
 associated with said hair care or cosmetic product by said professional user"

Independent claims 12, 19, 38, 45, comprise "selecting a shade from said plurality of shades associated with said hair care or cosmetic product by said professional user," thereby enabling professional users (*i.e.*, small beauty entities) to provide a full-line of a beauty product to their clients without needing to invest or stock any product. (Typically, a small business entity would have had to invest in and stock at least the most popular shades). Klein does not teach or suggest this limitation. Klein teaches away from the present invention because the Klein *machine* selects the right formulation for the customer's particular type of hair—not the professional user (as incorrectly alleged by the

Examiner). In fact, the passages cited by the Examiner are merely directed to the user inputting various criteria about the customer's hair so that the *machine* can select and create the right formulation. *See, e.g.,* Klein, col. 1 lns. 7-11 ("This invention is directed . . . to *a device* for formulating a cosmetic product . . .)(emphasis added); col. 2, lns. 5-29 ("This invention is directed to *an apparatus* for automatically formulating . . . a custom mixed cosmetic product . . . *in response to input criteria based on the customer's specific needs. . . . An input means is provided for entering the specific input criteria . . . The computer outputs a series of instruction sets in response to the specific criteria . . .*"). The very purpose of the Klein machine is for the machine itself to select and formulate the customized products based on the inputted characteristics of the hair—length, diameter, porosity, etc. In the present invention, however, it is the professional user who selects the actual products he or she desires and the apparatus never considers the qualities of the client's hair because the present invention is solving a totally different problem. How does one enable a small beauty entity to offer a full-line of product (which can have thousands of different shades), without needing to stock a single product item? The present invention solves this problem by providing on-demand purchasing that enables the small beauty entity to purchase only the products it actually uses.

Moreover, Klein is directed to creating *custom-made formulations* based on the unique qualities of an individual's hair and does not disclose selecting pre-formulated/conceived shades of a hair or cosmetic product as contemplated by the present invention. The present invention provides a full-line of products on demand without the

need to stock an entire product line. *See, e.g.*, Klein, col. 1 lns. 7-11 (“This invention is directed . . . to *a device* for formulating a cosmetic product . . .)(emphasis added); col. 2, lns. 5-29 (“This invention is directed to *an apparatus* for . . formulating and dispensing a *custom* mixed cosmetic product . . . in response to input criteria *based on the customer’s specific needs*. . . . ). Even the Examiner states that Klein discloses “a device for *formulating* cosmetic product and dispensing a *custom* mix.” June 11, 2008 Final Office at Action at 4 (emphasis added). The present invention, on the other hand, comprises providing pre-formulated/conceived shades of a hair or cosmetic product in order to provide the full-line of a product without having the small beauty entity actually invest in any inventory.

Ushikubo also does not teach or suggest this limitation. In fact, the Examiner did not point to Ushikubo as teaching or suggesting this limitation. As explained *supra*, Ushikubo solely is directed to an automatic vending machine where pre-registered key cards are used for effecting purchases and where all components of the system are located in the same store. *See, e.g.*, Ushikubo, col. 2, lns. 45-46; col. 6, ln. 52 - col. 7, ln. 11.

Moreover, the present invention solves a problem that was not at issue in any of the cited references, namely assisting small beauty entities in managing their hair care or cosmetic inventory to both avoid wasted storage space and financial loss. In so doing, the present invention provides a novel system that allows the small beauty entity to purchase a single application of a pre-formulated product and provides a system that automatically updates inventory data and automatically schedules a delivery of any

required inventory. It is undeniable that neither Klein nor Ushikubo individually or in combination are remotely concerned with the spatial and pecuniary problems suffered by small beauty entities. Since applicant has recognized a problem not addressed by the cited prior art and solved that problem in a manner not suggested by the cited prior art, the basis for patentability of the claims is established. See *In re Wright*, 6 U.S.P.Q. 2d at 1961-1962 (reversing Examiner's rejection and requiring consideration of the problem facing the inventor). "The problem solved by the invention is always relevant". *Id.* at 1962; see also *In re Rinehart*, 189 U.S.P.Q. at 149.

For the foregoing reasons, applicant respectfully submits that the Examiner's rejection be reconsidered and withdrawn.

Klein or Ushikubo Does Not Teach or Suggest:  
*"determining an amount of each base stock  
color required to prepare said shade selected by said professional user"*

Independent claims 12, 19, 38, 45, comprise "determining an amount of each base stock color required to prepare said shade selected by said professional user." Klein does not teach or suggest this limitation. As explained *supra*, Klein teaches away from the present invention because the *machine* selects the right formulation for the customer's particular type of hair—not the professional user (as incorrectly alleged by the Examiner). The very purpose of the Klein machine is for the machine itself to select and formulate the customized product. In the present invention, however, it is the professional user who selects the actual products he or she desires.

Moreover, Klein is directed to creating *custom-made formulations* based on the unique qualities of an individual's hair and does not disclose selecting or preparing pre-formulated/conceived shades of a hair or cosmetic product as contemplated by the present invention to provide a full-line of product without having the small beauty entity make any investment in inventory. *See, e.g.*, Klein, col. 1 lns. 7-11 ("This invention is directed . . . to a device for formulating a cosmetic product . . .)(emphasis added) ); col. 2, lns. 5-29 ("This invention is directed to an apparatus for . . formulating and dispensing a custom mixed cosmetic product . . . in response to input criteria based on the customer's specific needs). Even the Examiner states that Klein discloses "a device for formulating cosmetic product and dispensing a custom mix." June 11, 2008 Final Office at Action at 4 (emphasis added). The present invention, on the other hand, comprises selecting and preparing pre-formulated/conceived shades of a hair or cosmetic product.

Ushikubo also does not teach or suggest this limitation. In fact, the Examiner did not point to Ushikubo as teaching or suggesting this limitation. As explained *supra*, Ushikubo solely is directed to an automatic vending machine where pre-registered key cards are used for effecting purchases and where all components of the system are located in the same store. *See, e.g.*, Ushikubo, col. 2, lns. 45-46; col. 6, ln. 52 - col. 7, ln. 11.

For the foregoing reasons, applicant respectfully submits that the Examiner's rejection based on this limitation be reconsidered and withdrawn.

Klein or Ushikubo Does Not Teach or Suggest:  
"transmitting said transaction data to a central computer over a communication network"

Independent claims 1, 19, 27, 34, 38, 45, comprise “transmitting said transactional data to a central computer over a communication network.” Nowhere in the Final Office Action does the Examiner ever address this claim limitation. Applicant fails to see how a claim can be rendered obvious when one of the claim limitations was overlooked. Regardless, nowhere do either Klein or Ushikubo teach or suggest this claim limitation. As explained *supra*, the present invention is directed to remotely managing inventory so the small beauty entities can focus on servicing their hair care or cosmetic customers. Transmitting transaction data to a central computer greatly assists the small beauty entities by alleviating them of any responsibility of maintaining or managing their inventory of hair care or cosmetic products. Klein is directed to solving a different problem, that is, providing a stand-alone machine that prepares the right custom-made hair care formulation based on a customer’s unique hair characteristics. Nowhere does Klein teach transmitting transaction data to a central computer over a communications network, and thereby remotely managing the inventory for small beauty entities.

Ushikubo is directed to an automatic vending machine where pre-registered key cards are used for effecting purchases and where all components of the system are located in the same store. *See, e.g.*, Ushikubo, col. 2, lns. 45-46; col. 6, ln. 52 - col. 7, ln. 11. Ushikubo actually teaches away from the present invention by emphasizing the need to avoid remote interaction with off-site components. *See, e.g.*, Ushikubo, col. 1, lns. 1, lns. 13-24 (describing a problem with prior art on-line authorization terminals as “incur[ring] expenses in the form of rents for the authorization terminal equipment, fees for the on-



credit checking system and charges for the telephone lines employed”). In order to help the small beauty entity manage its supply of cosmetics and avoid wasted space and expired beauty products, the present invention comprises *transmitting* transaction data to a central computer *over a communication network*. The ability to seamlessly interact with the manufacturer or distributor of the beauty products over a communications network greatly assists the small beauty entity in managing its business. Ushikubo is simply not concerned with assisting small beauty entities in this respect. Nowhere does Ushikubo disclose transmitting transaction data to a central computer over a communications network.

“To imbue one of ordinary skill in the art with knowledge of the present invention, when no prior art reference or references of record convey or suggest that knowledge, is to fall victim of the insidious effect of hindsight syndrome, wherein that which only the inventor taught is used against the teacher.” W.L. Gore & Assoc., 721 F.2d at 1553. The prior art must to be judged based on a full and fair consideration of what that art teaches, not by using applicants’ invention as a blueprint for gathering and modifying various bits and pieces of the prior art to improperly reconstruct applicants’ invention. Neither Klein nor Ushikubo teaches or suggests “*transmitting said transaction data to a central computer over a communication network*.” The principles of the references cannot be changed in order to pick and choose unrelated pieces to render the claims unpatentable. Such practices would improperly render any invention moot by falling victim to the prohibited lure of hindsight reconstruction.

Furthermore, since applicant has recognized a problem not addressed by the cited prior art and solved that problem in a manner not suggested by the cited prior art, the basis for patentability of the claims is established. See *In re Wright*, 6 U.S.P.Q. 2d at 1961-1962 (reversing Examiner's rejection and requiring consideration of the problem facing the inventor). "The problem solved by the invention is always relevant". *Id.* at 1962; see also *In re Rinehart*, 189 U.S.P.Q. at 149 (stating that the particular problem facing the inventor must be considered in determining obviousness).

For the foregoing reasons, applicant respectfully submits that the Examiner's rejection based on this limitation be reconsidered and withdrawn.

#### Concluding Remarks

Therefore, the Examiner has failed to make a *prima facie* case of obviousness because the combination of Klein and Ushikubo does not teach or suggest all the limitations of the independent claims. Specifically:

- The combination of Klein and Ushikubo does not teach or suggest the following claim limitation of independent claims 1, 8, 12, 27, 34, and 38: "updating inventory data for said vending device based on said transaction data."
- The combination of Klein and Ushikubo does not teach or suggest the following claim limitation of independent claims 1, 8, 12, 27, 34, and 38: "scheduling delivery based on said updated inventory data."


- The combination of Klein and Ushikubo does not teach or suggest the following claim limitation of independent claims 12, 19, 38, 45: “selecting a shade from said plurality of shades associated with said hair care or cosmetic product by said professional user.”
- The combination of Klein and Ushikubo does not teach or suggest the following claim limitation of independent claims 12, 19, 38, 45: “determining an amount of each base stock color required to prepare said shade selected by said professional user.”
- The combination of Klein and Ushikubo does not teach or suggest the following claim limitation of independent claims 1, 19, 27, 34, 38, 45: “transmitting said transaction data to a central computer over a communication network.”

In view of the above, applicant believes that the pending application is in condition for allowance and requests that the Examiner’s rejections be reconsidered and withdrawn.

Applicant believes no fee is due with this response. However, if a fee is due, please charge our Deposit Account No. 50-0624, under Order No. **NY-WELLA-204-US (10207602)** from which the undersigned is authorized to draw.

Dated: August 11, 2008

Respectfully submitted,

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